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OFFICE OF FOREIGN DISASTER ASSISTANCE

1990 INTERNAL PURCHASE PROGRAM IN  
TIGRAY REGION OF NORTHERN ETHIOPIA

Administrative Evaluation

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August 13, 1991

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OFDA 1990 INTERNAL PURCHASE PROGRAM IN TIGRAY  
ADMINISTRATIVE EVALUATION

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GLOSSARY	
REST	: Relief Society of Tigray
USAID	: United States Agency for International Development
OFDA	: Office of Foreign Disaster Assistance (part of USAID)
IP	: Internal purchase
Redd Barna	: Norwegian Save the Children
SALT-90	: Save the Children Agencies Lifeline Tigray in 1990

NGO : Non-government organization  
Birr : Ethiopian currency  
NCA/ERD : Norwegian Church Aid/Ethiopian Relief Desk  
TPLF : Tigrayan People's Liberation Front  
EPLF : Eritrean People's Liberation Front  
EPDM : Ethiopian People's Democratic Movement  
EPRDF : Ethiopian People's Revolutionary Democratic Front  
SCF : Save the Children Federation

## EXECUTIVE SUMMARY

1. According to the implementing agency REST, the 1990 internal purchase program achieved its objective by filling food need gaps in Tigray left by inadequate pledges for cross border feeding and interrupted deliveries by the southern line (Joint Relief Partners). Total food purchases with OFDA funds (8,739.9 MT), however, fell short of anticipated levels by about 30%. The shortfall was attributable partly to unexpected sharply rising prices of grain because of scarcities in Eritrea, late arrival of the rains, and increase in transport costs due mainly to high demand for trucks.

2. Price per metric ton purchased and delivered with US funds (excluding administrative costs) averaged \$422.74. Average prices rose from \$375.17/MT for first tranche purchased in June, 1990 to \$481.35/MT for final tranche purchased in August. Loss amounts were below 3% of total tonnage. The high cost of final tranche purchases was partly due to procurement from a food deficit area (Adwa) where grain is expensive. Additional onward trucking costs were also added to some contracts from this tranche. In comparison, Norwegian Church Aid internal purchase (6,697 MT), which took place from June to November, 1990, averaged a cost of \$394.384 per MT.

3. REST operates with a basic staffing level and compiles a hand written accounting of relief operations. The most obvious weakness in the reporting system involves determination of losses. Within Tigray, monitors may examine REST's records, visit the local markets, conduct interviews with merchants and beneficiaries, accompany REST staff to negotiate contracts and witness distributions. It is therefore possible to extract the needed numbers to ascertain cost of grain, purchase price, transport costs, profit margins and distribution figures and to cross check this information with other agency monitors and reports.

4. Intertect Institute, the sub-grantee responsible for the monitoring component of program, established good working relationships in the field with REST and visited operating sites extensively. Monitors participated in contract negotiations and selection of purchase and distribution sites. Intertect's monitoring presence after late July, however, was very minimal. Fund exchanges and transfers were carried out on several occasions by Redd Barna and REST staff, and no Intertect monitor was present during procurement and delivery of the final tranche. Updating of responsible project officer in Khartoum did not always occur as agreed upon. Further, Intertect has not provided all of the documentation needed to verify its expenses.

5. The grantee, Redd Barna, satisfactorily provided the administrative and logistical requirements needed to implement the monitoring component of the project. Official bank statements will be provided to OFDA to verify the flow of funds.

Redd Barna's relationship with REST became strained when the SALT-90 consortium dissolved in July of 1990. Relations between REST and Redd Barna have now been totally disrupted.

6. Delays in information flow from Tigray and interruptions in monitoring by war time evacuation and illness contributed to difficulties in grant evaluation. Program accountability requirements and roles of participating organizations were not defined clearly enough at the onset of the program.

## RECOMMENDATIONS

1. The economic advantages of internal purchase over food import in areas such as Tigray where surpluses exist have been well documented. The feasibility of funding further purchases on a large scale, however, must be re-examined in light of recent developments. If the newly established government in Addis Ababa intends to retain the current official rate of exchange (2.07), the cost per metric ton for grain may become unreasonably high when compared to imported grain. Further, although both transport and grain costs are expected to decrease in a freely functioning economy, it is difficult to tell if and when this will occur. It is therefore recommended that a cost/benefit analysis be performed by USAID/OFDA when information becomes available regarding currency regulations and projected grain and transport rates.

2. The complex factors involved in internal purchase, such as management of the cash component, determination of purchase price and selection of purchase and distribution sites, require various levels of oversight. It is advised that USAID participate with REST or approve decisions regarding all phases of the project. In particular, this may entail:

A. Hiring a full time monitor to live in the Tigray area who will develop relations with REST, establish an information base and facilitate the implementation of the program to the satisfaction of USAID. The monitor should spend a significant portion of time (80%) in the operating area and become familiar with local agencies, traditional systems and regional patterns of marketing. Continuous feedback from the field will allow timely decisions to be made regarding humanitarian and other assistance.

B. Encouraging the improvement of REST's system of accounting and tracking donor food by introduction of computers and other office equipment and upgrading of staff.

C. Coordinating with other agencies involved in internal purchase so that monitoring efforts create a broader understanding of details of purchase. For example, monitors may be stationed at different purchase sites to witness contract negotiations or, a system may be developed whereby donors are designated certain areas where food purchase with their funds will always take place.

3. USAID/Ethiopia, which customarily operates through NGOs, should select an NGO partner with operations in the target area as grantee to channel funds for internal purchase. The partner should have or establish a good working relationship with REST. As yet, the operating status of NGOs is uncertain, however, ECS (Ethiopian Catholic Secretariat) and several others have maintained base operations in Tigray during the past two years. As in the 1990 agreement, the grantee will provide logistical support for the monitor, whose scope of work is specific to the USAID grant, and other administrative support as needed.

4. If performing the above mentioned steps prove to be obstacles to providing timely humanitarian assistance at present, an interim purchase may be planned by seeking an Addis Ababa-based NGO with an established bank account and using a USAID employee to monitor the operation. The effort may be combined with other agencies involved in internal purchase perhaps through one of the NGO coordinating groups such as UN Emergency Planning and Preparedness Group (EPPG). It is estimated that purchase, delivery and distribution of grain could be implemented in a matter of weeks by REST after the exchange and transfer of funds.

5. The following policies and procedures may facilitate program implementation, interorganizational communications and grant monitoring and evaluation.

A. The grant agreement should serve as the basis for program design and function depicting clearly the roles and accountability requirements of all involved organizations. A schedule of dates for providing reports, receipts and records may streamline the grant monitoring process.

B. Written agreements or memorandums of understanding with involved organizations other than the grantee, such as REST, should be effected and grant agreement terms reiterated within.

C. The monitor should be directly accountable to the USAID project officer responsible for monitoring the grant. The monitor's contract should clearly specify the written and adhoc reporting requirements and due dates. Reasons for non-adherence to the reporting schedule must be documented in the project files.

## Introduction

### Objectives of the Evaluation

In May, 1991, OFDA selected a three member team to evaluate the 1990 internal purchase of grain for food deficient areas of Tigray region in northern Ethiopia. The evaluation consists of two major topic areas, administrative and agricultural/socioeconomic. This report analyzes administrative, operational and financial issues and attempts to present a total management perspective of roles played by the agencies involved in implementing the internal purchase program.

To compile information for this report, the following activities were undertaken during the period May 12 to July 2, 1991:

1. Briefing in Washington DC by staff members from FEWS and OFDA and Alex de Waal, expert on war economy, coping strategies of famine and conditions in northern Ethiopia and Eritrea.
2. Visit to the headquarters of two of the operating agencies, Redd Barna (Norwegian Save the Children) and REST (Relief Society of Tigray) located in Khartoum, Sudan.
3. Visit to REST's field headquarters in Adwa, Tigray and other field offices throughout the region.
4. Discussions with representatives of other agencies operating programs in northern Ethiopia.
5. Visit to Addis Ababa, Ethiopia USAID emergency office for briefing on findings.
6. Communication with Intertect Institute and the grant officer.

Please see Appendices 1, 2 and 3 for time schedule, persons contacted and publications consulted.

### Scope of Work

The purpose of this assessment was to evaluate the overall management and monitoring activities of the OFDA funded internal purchase program. Major evaluation components include:

1. an assessment of IP program operations, including the methods used to establish and verify the cost, purchase and distribution of grain inside Tigray;
2. a review of program management at all levels, including financial, administrative and operational accountability as well as inter-organizational communication and relationships;
3. an evaluation of the monitoring component of the IP program, including reporting, availability and timeliness, and;
4. the preparation of a report evaluating the above management and monitoring activities, including recommendations based upon the findings.

### Format of the Report

The report aims to follow as closely as possible the above

mentioned evaluation components. The report outline is as follows:

1. Executive Summary
2. Program Background
  - A. Program timetable
3. Internal Purchase Program Operations
  - A. Methods used to establish and verify the cost of grain, purchase price and distribution of grain inside Tigray
  - B. Calculation of tonnage purchased, losses and cash flow
4. Monitoring Component of the Internal Purchase Program
  - A. Reporting
  - B. Availability
  - C. Timeliness
  - D. Future monitoring efforts
5. Evaluation of Institution's Participation (Financial, Administrative and Operational)
  - A. Redd Barna
  - B. Intertect
  - C. REST
  - D. USAID/OFDA
6. Interorganizational Communications and Relationships
  - A. Redd Barna
  - B. Intertect
  - C. REST
7. Appendices

I would like to thank the staff members of USAID/Sudan, US Embassy to Sudan, USAID Emergency Office/Ethiopia, Redd Barna/Sudan and REST for generous assistance and support extended to the team.

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## Background

In response to the crisis in drought and conflict affected Tigray region of northern Ethiopia, an internal purchase program was funded by OFDA in early 1990 to move grain from areas of surplus production to those in deficit. Intertect Institute, a consulting firm headquartered in Dallas, Texas, proposed a scheme to convert dollars to the local currency (birr) in Jeddah, Saudi Arabia, where it would draw a much better rate of exchange than in GOE (Government of Ethiopia) territory. These birr would be brought across the border via Sudan and used to purchase grain and transport as negotiated by the indigenous relief organization, REST, and distributed to beneficiaries designated by the local baitos, or village councils.

Intertect was not able to secure the banking facilities required for transferring funds so another agency's assistance was sought. Save the Children USA agreed to participate but later reneged. Meanwhile, a consortium had been established in Khartoum, Sudan consisting of Save the Children Federation country programs and others seeking to cover the food need gap left by inadequate pledges for cross border feeding and interrupted deliveries by the JRP (Joint Relief Partnership) southern line. Redd Barna, Norwegian Save the Children, in Khartoum, was the lead agency for SALT-90 (Save the Children Agencies Lifeline Tigray) and agreed to act as the base for OFDA-funded purchases. The OFDA pledge became part of the SALT-90 program.

On April 19, 1990, a grant agreement was enacted by USAID/Sudan with Redd Barna as grantee for \$4 million, using the periodic advance method of fund transfer. Procurement of approximately 10-15,000 MT of grain was anticipated. Redd Barna sub-contracted Intertect to monitor the conversion and transport of currency as well as the purchase and distribution of grain by REST. From the grant amount, \$200,000 was allotted to fund the administrative portion of the project including Intertect's expenses and overhead costs for Redd Barna. This amount was increased to \$299,941 in July, 1990.

The exchange mechanism was set in place in early May when Redd Barna and Intertect representatives flew to Jeddah and placed the first order for birr with a currency dealer. This amount (birr 3 million) constituted the first part of the initial advance of funds (\$1.5 million), herein known as part A of the first tranche. Remaining funds (\$2.5 million) were advanced in mid-June. Special bank accounts had been established by Redd Barna in Oslo and Jeddah for transfer of funds. Later, a third bank account was established in New York to bypass fees levied by the Jeddah bank.

Initially the funds for SALT-90 purchases by other donors were exchanged by REST. After the first exchange of USAID funds possible discrepancies were discovered in the exchange rates as stated by REST. This matter and failed negotiations regarding

other non-USG donations by SALT-90 to REST resulted in the dissolution of the consortium in July. The funds for internal purchase were then turned over to Redd Barna which also handled the exchanges.

The first tranche of OFDA funds (birr 3 million plus birr 1 million advance from Redd Barna) was taken to REST field headquarters in Adwa, Tigray by an Intertect monitor in early June. Intertect monitors also carried out the conversion and transfer of part B of the first tranche (birr 3.5 million). Redd Barna representative converted the remainder of the funds in Jeddah and REST representatives transferred the second (birr 7.5 million) and third tranches (birr 6.354 million) from Khartoum to Tigray.

The final purchase with OFDA funds took place in September of 1990. Expenditures for grain totaled \$3,694,400. Total tonnage purchased was 8,739.9 MT. Final accounting of the grant by Intertect and Redd Barna occurred in November and December of 1990 but final evaluation by the USAID project officer in Khartoum was interrupted due to evacuation of American personnel from the area in early 1991. Minor amounts of grant funds, approximately \$5,000, remain in Redd Barna bank accounts and REST account.

# OFDA 1990 INTERNAL PURCHASE PROGRAM TIMETABLE

April 1-21	Initial trip to Tigray by Intertect director (Cuny)
April 19	Grant agreement signed in Khartoum, Sudan
May 21	Trip to Jeddah by Redd Barna (Overby) and Intertect directors to obtain part A (birr 3 million) of first tranche of funds
May 26-28	Intertect director obtains part B (Birr 3.5 million) in Jeddah
June 6	Intertect monitor (Macray) brings in to Tigray first tranche (birr 3 million plus birr 1 million advance from Redd Barna)
June 11-25	Procurement and delivery of 1,810 MT grain consignment AT/28 (birr 3,925,000 million)
June 19	Intertect monitor (Frodhardt) brings in birr 3.5 million to Tigray
July 1-8	Procurement and delivery of 1,590.5 MT of grain, consignment AT/29 (birr 3,499,100)
July 17	Redd Barna rep obtains second tranche birr 7.5 million from Jeddah
July 21	REST/Khartoum delivers birr 7.5 million to Tigray
July 28	7.5 million birr received by Macray in Sheraro
August 1-9	Procurement of consignments AT/35 and 35.1 (3,028 MT) and AT/36 (2,282.9 MT)
August 6	Redd Barna rep obtains third tranche birr 6,354,000 in Jeddah
August 23	REST/Khartoum receive birr 6,354,000 for delivery to field
August 21-September 29	Delivery of second tranche grain AT/35 and 35.1 (birr 7,499,849.7) to distribution sites
September 16	REST delivers third tranche birr to Adwa received by Redd Barna monitor
Sept.18-23	Delivery of third tranche grain AT/36 (birr 6,353,833) to delivery sites
September 29	Delivery of 28.1 MT (purchased with remaining birr (75,870)

## USAID/OFDA 1990 Internal Purchase Program Operations

The following steps are employed by REST to implement the internal purchase program.

1. Upon receipt of the cash or in some cases when receipt of cash is anticipated, REST proceeds to establish contracts with merchants for delivery of grain to a specified distribution center. Less often, procurement centers are set up where small traders may sell grain directly.

2. Upon delivery to the distribution site by merchant, receipt of the grain and payment to the merchant are documented. The merchant is responsible for making up any losses that may have occurred in transit. Grain procured from small traders is transported by REST or leased vehicles.

3. The grain is distributed through the cooperation of the village associations, tabias, and managed through the village councils, called baitos. Family heads assemble at the distribution point and sign rosters when food has been received. When the distribution is complete, the rosters are tallied and turned over to the REST distribution site manager by the baitos.

4. Documentation relative to the above mentioned steps is eventually foreworded to Adwa headquarters where it is compiled. Relief operations can be traced through the following documents:

A. Contracts with merchants for lump sum which includes price of grain, profit and transport costs (not shown by cost breakdown).

B. Delivery receipts from warehouse where contracted grain was delivered.

C. Receipt signed by merchant for cash on delivery.

D. Distribution manager's report noting name of tabia, amount of food taken from storehouse, number of beneficiaries and loss of grain (derived from number of beneficiaries multiplied by number of kilograms of food per beneficiary, subtracted from amount of food in donor consignment removed from warehouse).

E. Storekeepers records.

F. List of beneficiaries by name and thumbprint, indicating food was received, which is passed by the baito to the distribution manager when complete and then tallied as described in letter D.

At letter B, the grain is assigned a tracking number which can be followed through to the distribution report.

### Methods Used to Establish and Verify the Cost of Grain

Grain is normally purchased from surplus areas or places where grain prices would be expected to be lower. These areas have been designated through various crop assessment missions to the region and by continuous monthly monitoring of prices conducted by REST. The places usually considered as surplus producing would be Shire, Raya, and Tselemti.

Prices of grain may be verified by consulting REST's monthly grain price listings and by cross checking these with information collected by agency monitors and assessment teams and the local ministries of agriculture. Analysis of economic trends of the entire region and surrounding regions must be considered to determine why price fluctuations occur.

As indicated in the written reports, Intertect monitoring team while in Tigray closely followed the economic trends and tried to arrange in cooperation with REST ceilings on grain prices during the first and second tranche purchases in June and July. Reasons for unexpected increases in prices were described in Intertect monitors's first report. These were mainly the flow of grain to Eritrea due to scarcity in Asmara, the late arrival of the rains and increasing transport costs. The influence of internal purchase was not thought to be a major factor, however, did contribute to the increase.

Sorghum prices rose dramatically from April to June (100 to 190 birr/quintal), stabilized in July, when purchases were temporarily suspended due to problems with the SALT-90 consortium, and jumped from 190 to 230 in September. The final purchases made with OFDA funds took place in Adwa, a normally food deficit area, where grain would be more expensive, in early August while prices were still lower in general. One final purchase with the remainder of the funds (birr 75,870) took place in late September.

#### Methods Used to Establish and Verify the Purchase Price

The purchase price of grain by contract with merchant includes the cost of grain, merchant profit and transportation costs. Purchase prices may be verified by consulting individual merchants and small traders to obtain breakdown of the price components and information regarding price trends. Additional analysis can be performed by dissecting the factors affecting transport costs.

The rates of transport charged by the private sector averaged between .3 birr to .56 birr per quintal per km. Concerns over the high transport costs have been widely addressed by different agencies. Intertect monitors particularly focused on issues related to the escalating cost of trucking in their reports. The major factor contributing to the increase is demand greatly exceeding supply of trucks, followed by scarcity and high cost of spare parts, fuel and oil, shortage of mechanics and poor conditions of the roads.

Bargaining is used as a tool by REST to control prices, however, it has been noted in Intertect reports that REST has increasingly been drawn to contracting large merchants who purchase or assemble grain from smaller traders resulting in a higher overall purchase price. It is possible in this way that less competition occurs than is desirable. Some direct purchases with small

traders were made with the first tranche part B funds, however, all other OFDA purchases were made by contract.

Monitors may accompany REST purchasers to procurement centers to observe the bargaining process. Due to the large scale on which the purchases are made, it is impossible for one monitor to witness all purchases. Monitors can coordinate efforts with other agency monitors or conduct followup interviews with merchants.

According to REST and the monitors written reports, Intertect monitors in coordination with the Redd Barna monitor who was following the other SALT-90 internal purchases, tried to establish reasonable price levels and purchase/distribution plans. The interim/final report indicates that the purchase plan for the second tranche of funds was followed by REST with the exception of 60 MT which was purchased and distributed in the same center, a practice that was to be avoided.

In the purchase of the third tranche and in the absence of Intertect, it is likely that REST followed its own initiative and effected a quick purchase from the Adwa area. All the factors prompting this action are not clear, however, attempts may have been made to buy before prices rose any higher and to expend USAID funds before the end of the grant period. Additional onward trucking costs were added to four of the seven purchases.

#### Methods Used to Establish and Verify the Distribution of Internal Purchase Grain

REST depends on the local baitos, or village councils, to select beneficiaries within a specified limit. This process, which has been repeatedly analyzed in various agency field reports, seems relatively fair given the difficult conditions. The baitos provide vital support to REST in organizing the population for distributions and obtaining individual signatures or thumbprints for receipt of food on distribution lists. Beneficiary numbers are also changed depending on the availability of grain for distribution so the baitos adjust the lists accordingly.

Monitors can verify the distribution numbers by following REST's records using the tracking numbers through to the tabia level. Interviews can be conducted with baitos and beneficiaries regarding the amount and type of grain that was distributed. Difficulties may be experienced if mistakes have been made with the tracking numbers. Before monitoring the distributions, all records of grain purchase and delivery should be examined. This evaluator was able to join another agency monitor following a cross border shipment to the beneficiary level. See Appendices 7 and 8 for interviews with beneficiaries.

According to REST, Intertect monitors witnessed several distributions. Intertect's written reports suggest improvements to be made in the distribution system particularly in the actual

disbursement of the grain. At the distribution site visited by the evaluator, it was noted that bags coming out of the warehouse were not methodically counted. It was also difficult to tell whether or not scales and uniform systems of measurement were being used.

Amount of grain considered to be lost is extrapolated from the amount assumed to be taken from the warehouse minus the amount distributed (number of beneficiaries times the number of kilos per person), thereby attributing all loss to the distribution. The issue of loss recording has been discussed extensively by Intertect and other monitors. It has been noted that offloading of trucks is not always properly checked. REST says it will initiate a new system of documenting losses by issuing a transfer form to travel with the cargo and use of dispatch and receiving summaries at each transfer point.

## Monitoring Component

### Reporting

The Intertect reports made available to or located by the evaluation team include the following (with approximate dates of submission):

1. April 28, 1990 - "Report on the food situation in Tigray province of Ethiopia and internal purchase possibilities, organization and procedures." (Pre-contract report on trip taken to Tigray by Intertect director.)
2. August, 1990 - "Monitoring Report; Internal Purchase June/July, 1990. (Report summarizes the use of first tranche, part A funds to purchase 1,810 MT and distribution figures. A summary of study of transport issues is included.)
3. August 1, 1990 - "Report on the internal purchase program in Tigray" (Summarizes the general food need situation and other program issues.)
4. October 11, 1990 - "Status summary of USAID internal purchase grain, Redd Barna Tigray, 1990". (Three page brief on exchange, transfer and expenditure of funds and remaining issues.)
5. November 20, 1990 - "Interim Report: Disbursement of tranches 2 and 3 of internal purchase funds" (Summary of entire purchase program with final monitoring report on trip taken to Tigray by Intertect monitor in October. Attachments include all documentation collected.)

In general, written reports by Intertect monitors offered excellent observations and analysis of some key issues such as transport and market economy. Intertect developed forms for use by monitors to collect REST data on purchase and distribution.

Reporting did not contain the detail needed to clarify total tonnage purchased and the flow of funds. Numbers calculated by Intertect, Redd Barna and USAID failed to tally. This appears to have been due to subtraction of loss amounts by Intertect from

total tonnage and cost per metric ton calculations. The cash ledger summary prepared by REST contains an error. A grain amount of 3,550 quintals is omitted from first tranche part B purchases. Also included in this summary are 1,000 MT purchased by Irish Concern. Failure to take into account any of these factors would result in discrepancies. (See Appendices 4 and 5 for revised internal purchase calculations.) No written report was submitted at all detailing first tranche, part B purchases.

### Timeliness

The difficulties of securing and communicating information from Tigray during the war were apparent. Radio communication was the only functioning modern method of contacting the outside world. In addition to travel time required to and from REST headquarters (after a two week wait for the travel permit, evaluator spent six days on the road to reach Adwa) monitors must spend considerable periods examining REST's records. Records require a month to travel to headquarters from distribution sites and then are compiled manually. Mistakes must be discovered by monitors and corrected. Only about five professional REST staff fluent in English are available to clarify issues. At the time of our visit, at least seven donor representatives were monitoring REST programs.

The USAID office in Khartoum was responsible for monitoring the grant but due to program constraints could not visit the target area. Even if final comprehensive written reports could not be timely, information collected in the field by monitors regarding prices and other issues were of vital importance to the continual evaluation of program effectiveness by the USAID office. Monitors, however, did not always brief the project officer as agreed upon when they returned from the field and before departing Khartoum. Written and verbal reports were sometimes channelled through OFDA in Washington.

According to the grant agreement, reports concerning purchase prices and transport costs were to be provided to the project officer immediately following the disbursement of funds for each tranche. Presumably this would signal any significant price increase over the estimated costs and result in a decision regarding whether or not to proceed with further purchases. This safety feature built into the grant did not work due to delays in information flow from Tigray.

### Availability

While the internal purchase program was expected to be completed in August, it is noted that the Intertect subcontract was not time limited but connected to fulfillment of the terms of the grant agreement. Intertect applied itself conscientiously to achievement of project objectives for most of the program period, however, no monitor was available to oversee the last tranche purchases which were crucial in terms of total cost

effectiveness. Had Intertect been involved, it is assumed that the August purchases may have been more effectively negotiated or a decision made to curtail the program.

#### Future Monitoring Efforts

According to de Waal and other analysts, the internal purchase program in Tigray was one of the most widely monitored relief efforts in Ethiopia. In spite of this, varying prices were paid by different agencies for purchase and delivery of grain. For instance, according to NCA/ERD monitor, cost per metric ton for purchases by Norwegian Church Aid which included a purchase in November when grain prices were highest, averaged \$394.384 as compared with \$422.74 for the USAID purchase. This appears to be related to higher transport costs resulting possibly from longer distances between purchase and distribution sites, but more detailed analysis is necessary. Indications suggest all purchases channelled through Redd Barna had similar average costs.

The advantages of internal purchase over import of relief grain have been well documented. Local merchants and beneficiaries gain immediately and donors in the longer term by stimulating the local economy, developing the trade network and increasing agricultural production. Internal purchase is especially advantageous for limiting long haul transport during the rainy season when needs are high and roads are in poorest conditions. Further, purchase and distribution of grain can be effected in a relatively short period of time using REST's established network.

The effects of internal purchase, however, must be continually assessed throughout the program. REST has indicated willingness to cooperate with extensive monitoring efforts. A detailed memorandum of agreement was signed by the REST director and Redd Barna in late 1990 in anticipation of another USAID internal purchase grant.

A very important aspect of future monitoring efforts concern coordination with other agency monitors involved in internal purchase. In the past, monitors representing international donors could not remain permanently within Tigray for security reasons. Monitors tended to communicate sporadically while in Khartoum and sometimes but not always shared reports. It is evident from reports written that some field monitoring efforts were repeated many times. While coordination of agencies themselves may be more difficult as evidenced by the failure of SALT-90, monitors on the ground can more easily interface as individuals. Ultimately, a coordinating body such as UN Emergency Planning and Preparedness office in Addis Ababa or REST itself, once established within the larger relief picture, could serve as a coordinator at the agency level.

Monitors working closely with REST could coordinate in the field to improve the efficiency of several aspects of internal

purchase. Monitors may station themselves at different purchase sites to witness contract negotiation. Perhaps a system could be designed whereby donors are designated certain areas as permanent purchase and distribution sites, or costs of an regional purchase program may be shared by donors so that expenditures are equitable. Monitors with certain areas of expertise might participate in training programs for REST staff.

With the culmination of the war, many of the extenuating and expensive methods used to transfer funds and monitor internal purchases should alter. Stationing a USAID monitor permanently in the target area which was not possible previously should enhance effectiveness of the monitoring component and permit a larger percentage of grant funds to be spent on procuring grain. The monitor will provide feedback to the project officer in Addis Ababa and allow timely decisions to be made regarding use of US funds for internal purchase. (See Appendices 6 and 7 for monitor qualifications and profile and suggested job description.)

With the continuous presence of a USAID monitor, the need for NGO involvement may be questionable. USAID/Ethiopia Emergency office, however, at present operates through NGOs. Until such time as this changes or other arrangements can be made, the oversight of an NGO would be necessary for use of a bank account, logistical needs such as fuel and vehicle maintenance, and back up assistance in the field.

## Evaluation of Institutions Participation

### Redd Barna

#### Financial

1. Redd Barna charged Intertect \$58,300 for vehicle use and administration costs relating to the grant. An additional \$7,000 was charged for travel to and from Jeddah by Redd Barna representative. No receipts were available for these costs, however, Redd Barna staff indicated that actual costs had exceeded the amount received.

2. Redd Barna's charge for use of its own field vehicles by Intertect monitors (\$300/day) was significantly higher than the rental cost (\$200-225/day) paid by this evaluation team. According to Redd Barna's administrative officer, the charge was an estimate based on cost of a replacement vehicle. Actual vehicle use by Intertect team was reported to exceed the number of days covered by the grant.

3. While a bank account summary was provided by Redd Barna, official bank receipts for the Jeddah and New York accounts established for the purpose of exchange have been requested and are expected to be delivered from Redd Barna, Oslo via DHL to OFDA. According to Redd Barna administrator, approximately \$5,000 of US funds plus interest remain in the accounts.

4. As stipulated in the grant agreement, receipts or records of expenses incurred by Intertect while in Jeddah, Khartoum, Tigray or enroute to those places, were to be presented to Redd Barna and compiled in a final report. A preliminary cost listing has been provided by Intertect but travel costs are incomplete, due to the absence of Intertect director from headquarters.

#### Administrative

1. Redd Barna, in implementing internal purchase sometimes by several donors simultaneously, was able to cover some of the monitoring and reporting gaps occurring in the final stages of the USAID/OFDA purchase. When Intertect monitor left due to illness, RB monitor received and counted the third tranche of funds in the field. RB representative also made two cash exchanges in Jeddah with USAID funds. Redd Barna compiled the interim/final report with information obtained by Intertect and RB monitors.

#### Operational

1. Redd Barna satisfactorily provided administrative support, vehicles, travel and other permits which allowed grant objectives to be met.

## Intertect

### Financial

1. To date, verification of expenses by Intertect is incomplete. Two lump sum payments of \$100,000 each were transferred to Intertect's Dallas bank account. According to Redd Barna account status summary found in interim report of November 20, 1990, two additional payments of \$17,519.31 and \$13,351.14 were to follow.

### Administrative

1. Intertect's operations in Sudan were not limited to the USAID grant. It undertook other evaluations, some for USG, and was allowed to monitor other internal purchase donations by virtue of the agreement with Redd Barna. In addition, it conducted other operations in other countries. Internal purchase activities were to be completed in August but lingered on until September. It is possible that due to need to direct its attention to other business considerations, Intertect focus on the OFDA internal purchase grant may have become diffused and resulted in incomplete coverage.

2. Intertect was responsible for providing information upon arrival from the field to USAID project officer in Khartoum, however, this did not always occur. Intertect staff at least once, departed Sudan and channelled reporting through Washington. It was noted that Intertect monitor who had spent two months in the field held a meeting for donors prior to his departure from Khartoum in early August. Nevertheless, vital field information especially from the final stages of the USAID/OFDA grant was limited and weakened the mission's ability to monitor the grant.

### Operational

1. As per the grant agreement, the sub-contract of Intertect to Redd Barna and prior informal understandings with OFDA and Redd Barna, Intertect was primarily responsible for the monitoring component of USAID internal purchase. Redd Barna monitor was totally involved in monitoring other donor contributions under the SALT-90 program. Continuous coverage of USAID grant was promised but gaps occurred. Due to illness, the resident Intertect monitor left the Tigray area in late July. No alternate monitor was provided by Intertect and Redd Barna monitor was already in Tigray at the time when the third tranche of cash was ready to be transferred from Sudan. The cash was turned over to REST and carried in by its staff. Redd Barna monitor received and counted the birr inside Tigray.

2. According to REST, Intertect monitors were shown a wide range of operations connected with the internal purchase program. REST guides accompanied them to many field sites where they witnessed distributions, talked to merchants and farmers and verified grain and transport prices. According to REST, Intertect monitors held

in depth discussions with staff regarding REST operations. While offering excellent general analysis, the written reports produced by Intertect, could have been more detailed and targeted. The total amount of tonnage purchased was still not clear to the USAID project officer when Intertect monitor departed Sudan after a final trip to Tigray in October. Discrepancies in the program such as the factors surrounding the use of third tranche funds should have been investigated.

## REST

### Financial

1. Cash carried from Khartoum and received by REST in Tigray was receipted (Birr 100 was missing from the third tranche when taken in by REST and counted by Redd Barna monitor). Cash was then taken to distribution sites where merchants received payment upon delivery of grain.

2. At the request of Intertect monitor, a cash summary sheet was prepared by REST showing the entire flow of funds for the USAID internal purchase program (there is an omission of 3,550 quintals in second purchase listing but total cash amount is correct). Included in this summary are funds committed by Irish Concern (birr 2,200,000), brought in to Tigray at the same time as first tranche, Part B, of the USAID funds. Birr 247 of USG funds are remaining in REST account. The cash summary has been revised by the evaluator using corrected grain amounts and omitting Irish Concern's purchase (1,000 MT)(see Appendix 5).

### Administrative

REST staff is very extenuated but nevertheless managed to distribute over 200,000 MT of food in 1990. Numbers documenting these complex activities are recorded entirely by hand, resulting in a somewhat sluggish and sometimes hard-to-fathom reporting system. Reporting takes at least one month to travel from distributions sites to headquarters. Because records tend to be reconstructed, sometimes contain mistakes or are not always available; monitors must devote sufficient time to examining the flow of food and funds donated by their agencies and clarifying discrepancies.

### Operational

1. In addition to implementing an extensive agricultural rehabilitation program, REST's system processed a total of 251,920 MT of relief food in 1990. The breakdown is as follows:

Cross Border	- 99,386
Internal Purchase	- 77,000
JRP southern line	- 25,534

2. The listing of third tranche purchases on the above mentioned

cash flow summary (point 2 under REST-financial) differ from the previous tranche listings in that transport costs were separated from grain purchases at the request of the Redd Barna monitor. According to REST, these purchases contracted in early August were "rapid" to meet immediate needs. It is noted that the delivery of the grain in some cases did not take place until early to mid-September. Onward trucking costs to distribution sites were listed for four of the seven third tranche purchases, driving those prices very high. The average price per metric ton for this tranche is \$481.35 compared to \$375.17 for the initial tranche.

#### USAID/OFDA

#### Administration and Monitoring

1. The grant agreement (Grant No. 650-0000-G-SS-00-0010) stipulated that a final accounting of grant funds take place a month after final purchases were made. The final accounting, however, is still incomplete and requires the following:
  - A. Final cost listing of Intertect's expenses.
  - B. Bank statements from Redd Barna Norway to confirm cash flow summary and amounts remaining in accounts.
  - C. Check for remaining amounts to be delivered to USAID/OFDA.
2. A grant amendment enacted October 8 increased the administration and monitoring portion of the grant. This apparently was agreed upon by the USAID project officer and OFDA in July and verbal approval communicated to the grantee and subgrantee. While the increase was justified given the time delays to travel to Tigray, there is no evidence of examination of records and receipts by USAID to substantiate the expenditure of the initial allocation.
3. Two weaknesses in the contractual arrangements involved in this program direct mixed messages regarding USAID accountability requirements.
  - A. As per the grant agreement, Redd Barna was expected to produce receipts and records to substantiate expenses. Although all logistical and administrative expenses were listed as Intertect expenses, Intertect did not feel obligated to turn over receipts to Redd Barna as this was not stipulated in the subcontract.
  - B. The logistical costs of the program such as vehicle rental, office rental and administrative overhead amounted to nearly \$60,000, and might technically be regarded as services provided by the grantee, Redd Barna. Ironically and in view of the point made in letter A, these are listed on Intertect's schedule of expenses and a fee of ten percent is attached by Intertect.
4. USAID/OFDA project officer in charge of monitoring the

internal purchase grant arrived at her post in Sudan in July, 1991, and made consistent efforts to remain informed and report findings to OFDA. Coordination and cooperation among agencies headquartered in Khartoum involved in internal purchases were sometimes lacking. The project officer attempted to coordinate the agencies through briefings and report sharing to facilitate understanding of internal purchase problems and progress, a contribution acknowledged by other agency representatives.

## Interorganizational Communications and Relationships

### Redd Barna

1. Redd Barna was the lead agency for the SALT-90 consortium of donors, and dealt on a personal level with REST staff regarding SALT-90 donations. The consortium fell apart presumably due to miscommunications regarding some non-USG donations, lack of a contractual arrangement with REST and possibly some resistance on the part of REST toward possible manipulation by the consortium. For instance, REST refused to accept a donation of trucks purchased by Redd Barna because it had not approved their specifications.

When SALT-90 ceased to function as a working group, donors operated independently through Redd Barna to effect the internal purchases. At the initiation of the USAID internal purchase, a discrepancy was discovered in exchange rates used by REST in earlier SALT-90 internal purchases involving non-USG funds. The action taken by REST involving firing of a staff member, was not satisfactory to Redd Barna. Redd Barna continued to press for answers in light of future programs, however, at this writing, relations between the two organizations have been suspended and Redd Barna has switched its program bases to other regions. It is difficult to assess whether or not this gradual breakdown of relations between REST and Redd Barna had any measurable negative effects on the 1990 program, however, it seems to preclude further involvement.

While relations initially between Intertect and Redd Barna were congenial, Redd Barna stated that it had felt obligated, as grantee, to cover gaps in Intertect's presence and that its operations were used as a base for Intertect's other projects in addition to activities involving the USAID grant. Intertect's lead position in initiating the grant agreement may have appeared to over-ride Redd Barna's authority as grantee, however, Redd Barna believes both agencies sought to achieve the project objectives in spite of some interorganizational tensions.

### Intertect

While in the field, Intertect developed very good personal relationships with REST staff. According to REST, Intertect monitors were shown more places than monitors from other agencies and constructive discussions resulted from their investigations. Consequently, some changes will be made in the REST system such as improved tracking of grain and documentation of losses incurred in transport. Field information was not always appropriately communicated, placing strain on USAID and Redd Barna.

### REST

REST generally welcomes monitors, facilitates their field travel and takes their opinions into consideration. REST has operated with a basic staffing level in very difficult conditions and only about five professionals fluent in English oversee all operations.

Agency representatives, therefore, have to be sensitive toward the ten year history of the organization and its extensive knowledge of the local population.

REST would like to read monitors reports and include its comments for the donors but but does not insist on it. Only one of Intertect's reports could be found at REST headquarters in Adwa but a wealth of reports written by other agency monitors are available.

REST's relations with USAID were carried out internationally in Khartoum, Sudan and other countries. Because of the nature of the situation in Tigray, no one from the regional USAID offices could visit the area.

APPENDIX 1: TIME SCHEDULE FOR ADMINISTRATIVE EVALUATION  
May 12 to July 2, 1991

May 12	Arrived in Washington D.C.
May 13	Briefing by FEWS and OFDA staff and Alex de Waal, expert on war economy, coping strategies of famine and conditions in northern Ethiopian and Eritrea.
May 14	Briefing by USAID/Ethiopia representative, Bill Pearson and OFDA director, Andrew Nassios. Departed for Khartoum, Sudan.
May 15	Arrived Khartoum.
May 16	Briefing with Redd Barna representative (Trygve Overby) and staff.
May 18	Meeting with Redd Barna field monitor, Maria Altstidl.
May 19	Attended briefing by Overby on recent field trip to Wollo, Gojjam and Gondar. Also attending were representatives from REST, Radda Barnen and Australian Aid.
	Meeting with Mel Middleton, Canadian Cross-Border Coalition field monitor.
May 20	Meeting with NCA/ERD administrator; meeting with SCF/Canada representative, Robert Schneider.
May 21	Meeting with Ari den Toom, NCA/ERD field monitor for Tigray. Ethiopian President Mengistu resigned after 14 years in power.
May 22	Meeting with REST deputy representative, Chekol Kidane; meeting with Lorraine Black, visiting from Canada for Canadian Cross-Border Coalition.
May 23	Worked on computer in USAID office.
May 24	Worked in USAID office. Asmara, Eritrea is taken over by Eritrean Peoples Liberation Front.
May 26	Received permission to travel to Tigray. Debre Zeit city surrendered to EPRDF; Addis Ababa airport closed.
May 27	Meeting with Sarah Vaughan from Tigray Transport and Agricultural Consortium. Addis Ababa was taken over by EPRDF.
May 28	Worked in USAID office.
May 29	Departed for Gedaref and spent night in REST guest house.
May 30	Took part in demonstration convoy by TPLF/EPRDF/EPLF to thank Sudanese people for support. Joined a relief convoy and entered Ethiopia via Metima in Gondar region.
May 31	Drove to Gonder city.
June 1	Met with new regional administrator formerly of EPDM, Hilawi Dgmani, and representative from Gonder planning office, Gashow.
June 2	Departed Gonder and arrived Weldiya, Wollo.
June 3	Departed Weldiya and arrived in Mekele, Tigray.
June 4	Departed Mekele and arrived in Adwa, Tigray.
June 5	Met with REST assistant administrator, Abreha, and

information officers, Sihay and Abebe.

June 6 Met again with Abreha and received reports requested. Held discussions with NCA/ERD monitor who was evaluating NCA cross border program.

June 7 Reviewed reports and records.

June 8 Continued review of records. Visited POW officers camp and temporary camp for relatives of soldiers evacuated from Asmara. Two Ethiopian army officers volunteered to be interviewed. See appendix for detail of interviews.

June 9 Went to Axum with NCA/ERD monitor. Visited distribution site. Held discussions with nurses for German Emergency Doctors living in Axum for past eight months.

June 10 Visited distribution in Enticho and interviewed two beneficiaries. Interviewed farmer ploughing field enroute. Visited distribution in Adwa.

June 11 Departed for Khartoum via Sefawa. Spent night in Maiteno, a depot town near the Tekasse river.

June 12 Went to river but could not cross. REST truck sank trying to cross. Returned to Adwa.

June 13 Tried to go through Asmara but were turned away in Senafe. Drove to Mekele.

June 14 Worked on report. International Committee of the Red Cross (ICRC) representative from Addis Ababa was setting up operations to assist prisoners of war walking down from Asmara (estimated at least 100,000 would pass Mekele).

June 15 ICRC-commissioned Hercules landed with supplies for transient soldiers. Sought permission to fly to Addis with plane.

June 16 Flew to Addis Ababa on Hercules.

June 17 Reported to USAID office. Briefings with staff.

June 18 Worked on report.

June 19 Presentation of team findings by Gadbois and Reed for AID and regional OFDA representatives

June 20 Departed Addis and arrived Khartoum.

June 21 Met team member Naizghi who had returned by road via Metima. Met with USAID/Sudan representative Machmer.

June 22 Worked on report in USAID office.

June 23 Meeting with Redd Barna administrative officer, Audun Holm.

June 24 Briefing with REST deputy representative, Chekol, on team findings (by Naizghi and Reed).

June 25 Worked on report in USAID office.

June 26 Sorted out air ticket.

June 27 Departed on KLM flight at 03:40 and spent night in Amsterdam.

June 28 Arrived in Washington D.C.

June 29 Worked on report.

July 1 Worked on report in OFDA office.

July 2 Briefing on findings for Mike Harvey and Linda Howey. Departed in late afternoon.

## APPENDIX 2: PERSONS CONTACTED

The following persons and agencies were consulted for this evaluation:

Canadian Cross-Border Coalition: Mel Middleton and Lorraine Black

Christian Aid: Rachael Lyon, consultant field monitor

de Waal, Alex: consultant expert on internal purchase in Tigray

FEWS: Jeff Marzilli, Ethiopia program officer

Intertect Institute: Mike Macray, consultant field monitor; Jinx Parker, administrator, Dallas

Norwegian Church Aid/Emergency Relief Desk: Ari den Toom, field monitor for Tigray

OFDA: Linda Howey, program officer, USAID/Khartoum (previously); Mike Harvey, program officer, Washington, D.C.

Redd Barna/Sudan: Trygve Overby, Field Representative; Audun Holm, Administrative Officer; Maria Altstidl, field monitor

REST: Abreha, Chekol Kidane, other staff members

Save the Children Federation/Canada: Robert Schneider and  
Sheila Wilson

Tigray Transport and Agricultural Consortium: Sarah Vaughan

USAID: Willard Pearson, USAID/Ethiopia Representative; Frederick Machmer, USAID/Sudan Mission Director; David Osinski, contract officer, USAID/Sudan (previously)

US Embassy to Sudan: David Reuther, Political Officer

### APPENDIX 3: PUBLICATIONS CONSULTED

CAFOD (Catholic Fund for Overseas Development), "Report of Jeddah Visit", May, 1991.

de Waal, Alex (OXFAM/UK), "Famine Survival Strategies in Wollo, Tigray and Eritrea, a Review of the Literature", December, 1990.

de Waal, Alex (OXFAM/UK), "Tigray, Grain Markets and Internal Purchase", February, 1990.

ERO (Ethiopian Relief Organization) and REST, "Report on the New Liberated Areas of Gonder and Gojjam", May 1991.

Naizghi, Eyob Goitom (OXFAM/UK), "Evaluation Report of the Agricultural Rehabilitation Program in Tigray, 1989", June/July, 1990.

Naizghi, Eyob Goitom (OXFAM/UK), "Preliminary Report on the Visit to Tigray", April, 1991.

Norwegian Church Aid/Emergency Relief Desk (Maria Altstidl), "Report on a Monitoring Mission in Tigray with Special Emphasis on the Internal Food Purchase Program of the Relief Society of Tigray", February, 1990.

Norwegian Church Aid/Emergency Relief Desk (Jennie Street), "Report on Field Trip to Non-Government Held Areas of Tigray, Ethiopia, March 1989", April 1989.

Redd Barna/Sudan (Audun Holm), "A Proposal for the Internal Purchase of Grain in Tigray", March 29, 1990.

Redd Barna/Sudan (Fred Cuny, Intertect), "Report on the Food Situation in Tigray Province of Ethiopia and Internal Purchase Possibilities, Organization and Procedures", April, 1990.

Redd Barna/Sudan, "Interim Report: Disbursement of Tranches 2 and 3 of Internal Purchase Funds", November 20, 1990.

Redd Barna/Sudan (Intertect), "Report on the Internal Purchase Program in Tigray", August, 1990.

Redd Barna/Sudan-Intertect Contract, July 11, 1990.

Redd Barna/Sudan (Mike Macray, Intertect), "Monitoring Report on Internal Purchase, June/July, 1990", August 1990.

Redd Barna/Sudan (Mike Macray, Intertect), "Status Summary of USAID Internal Purchase Grain, Redd Barna, Tigray", October 11, 1990.

Redd Barna/Sudan, "Proposal for Continuation of the Internal Purchase Program in Tigray from August through October, 1990", July, 1990.

Redd Barna/SCF/Canada, "SALT-90, An Urgent Proposal", January, 1990.

REST, "The Agricultural Rehabilitation Program, Tigray, 1990-91", October 1990.

Save the Children Federation/Canada, SALT-90 Situation Reports 1,2 and 3.

Save the Children Federation/UK (Jez Stoner), "Monitoring Trip to Tigray and Northern Wollo", June 10-30, 1990.

USAID Grant Agreement Number 650-0000-G-SS-00-0010 with Redd Barna, April 19, 1990.

USAID PIO/T No. 907-0004-3-00018, Revised administrative budget, October 31, 1990.

GRANT AGREEMENT NO. 650-9004-G-SS-0010  
INTERNAL PURCHASE CASH SUMMARY

DATE	US\$ EXCHANGED	ROE	BIRR AMOUNT	PURCHASE MT	COST-BIRR	AVG\$US/MT	MTDISTR	LOSS MT	LOSS %
MAY 21	\$516,800.00	5.804	3,000,000.00						
JU 11-16				1,810.00	3,925,000.00	\$375.17	1,752.12	57.88	3.2
MAY 26	\$432,000.00	5.787	2,500,000.00						
MAY 28	\$345,600.00	5.787	2,000,000.00						
JULY 1				1,590.50	3,499,100.00	\$380.62	1,547.08	43.42	2.73
JULY 7	\$1,296,000.00	5.787	7,500,000.00						
AUG 4-9				3,028.40	7,499,849.70	\$428.58	2,956.20	72.3	2.38
AUGUST 6	\$120,960.00	5.787	700,000.00						
AUGUST 6	\$983,040.00	5.751	5,654,000.00						
AUG 1-5				2,282.90			2,229.80	53.1	2.33
SEPT 18				28.10	6,429,703.00	\$481.35	27.25	0.85	3.02
TOTALS	\$3,694,400.00	5.78	21,354,000.00	8,739.90	21,353,652.70	\$422.74	8,512.45	227.55	2.732

NOTES:

ONE MILLION BIRR WAS ADVANCED BY REDD BARNA FOR FIRST PURCHASE

THIRD TRANCHE PURCHASES (AUGUST 1-5 AND SEPTEMBER 18) COMBINED FOR AVERAGE PURCHASE PRICE

BIRR 247.3 REMAIN IN REST ACCOUNT (BIRR 100 MISSING FROM THIRD TRANCHE)

## APPENDIX 5

## 1990 USAID INTERNAL PURCHASE

	DATE	GRAIN	QUINTALS	UNIT PRICE BIRR	TOTAL BIRR
FIRST TRANCHE PART A	JUNE 16	SORG	2,500.00	\$210.00	\$525,000.00
	JUNE 19	SORG	2,000.00	\$210.00	\$420,000.00
	JUNE 20	SORG	1,600.00	\$225.00	\$360,000.00
	JUNE 21	SORG	2,000.00	\$215.00	\$430,000.00
	JUNE 22	SORG	3,000.00	\$225.00	\$675,000.00
	JUNE 23	SORG	2,000.00	\$210.00	\$420,000.00
	JUNE 24	SORG	3,000.00	\$225.00	\$675,000.00
	JUNE 25	SORG	2,000.00	\$210.00	\$420,000.00
	SUBTOTAL		18,100.00		\$3,925,000.00
FIRST TRANCHE PART B	JULY 1	SORG	1,000.00	\$220.00	\$220,000.00
	JULY 1	MAIZE	960.00	\$220.00	\$211,200.00
	JULY 1	MILLET	540.00	\$220.00	\$118,800.00
	JULY 1	MILLET	1,000.00	\$220.00	\$220,000.00
	JULY 1	SORG	960.00	\$220.00	\$211,200.00
	JULY 1	SORG	1,000.00	\$220.00	\$220,000.00
	JULY 1	MAIZE	300.00	\$220.00	\$66,000.00
	JULY 1	SORG	3,900.00	\$220.00	\$858,000.00
	JULY 1	SORG	2,695.00	\$220.00	\$592,900.00
	JULY 1	SORG	3,550.00	\$220.00	\$781,000.00
	SUBTOTAL		15,905.00		\$3,499,100.00
SECOND TRANCHE	SHIRE PURCHASE				
	AUG 21	SORG	2,500.00	\$256.65	\$641,625.00
	AUG 21	SORG	2,000.00	\$256.00	\$512,000.00
	AUG 25	MILLET	1,700.00	\$263.00	\$447,100.00
	AUG 25	MAIZE	1,600.00	\$253.00	\$404,800.00
	AUG 29	MAIZE	2,200.00	\$253.00	\$556,600.00
	AUG 29	MILLET	2,300.00	\$256.10	\$589,030.00
	SEPT 1	MILLET	2,300.00	\$242.40	\$557,520.00
	SEPT 1	SORG	2,100.00	\$249.70	\$524,370.00
	SEPT 3	SORG	2,100.00	\$242.85	\$509,985.00
	SEPT 6	MILLET	1,600.00	\$251.85	\$402,960.00
	SEPT 9	SORG	2,000.00	\$233.40	\$466,800.00
	RAYA PURCHASE				
	AUG 28	SORG	2,000.00	\$260.90	\$521,800.00
	AUG 29	MAIZE	2,400.00	\$251.90	\$604,560.00
	SEPT 4	WHEAT	2,009.00	\$245.50	\$493,812.20
	SEPT 20	SORG	875.00	\$190.50	\$166,687.50
	SEPT 20	SORG	600.00	\$167.00	\$100,200.00
	SUBTOTAL		30,284.00		\$7,499,849.70
THIRD TRANCHE	SEPT 18	SORG	5,500.00	\$294.06	\$1,617,330.00
	SEPT 18	SORG	5,450.00	\$270.35	\$1,473,407.00
	SEPT 18	SORG	2,250.00	\$294.06	\$661,635.00
	SEPT 19	SORG	2,000.00	\$255.00	\$510,000.00
	SEPT 19	SORG	5,380.00	\$280.20	\$1,507,476.00
	SEPT 21	MAIZE	1,200.00	\$255.00	\$306,000.00
	SEPT 23	MILLET	1,049.00	\$265.00	\$277,985.00
	SEPT 29	SORG	281.00	\$270.00	\$75,870.00
	SUBTOTAL		23,110.00		\$6,429,703.00
	TOTAL		87,399.00	BIRR	\$21,353,652.70
	TOTAL METRIC TONS: 8,739.90				
	TOTAL DOLLARS AT 5.78			USD	\$3,694,403.40

## APPENDIX 6: SUGGESTED MONITOR QUALIFICATION AND PROFILE

It is recommended that the monitor selected to oversee the internal purchase program possess the following characteristics:

1. B.A. or B.S. degree, master's degree preferred, in agricultural economics, socioeconomics, business administration or management, rural sociology or related areas.
2. At least three years experience living and working in developing countries, preferably Africa. Experience working with relief and development agencies preferred. Experience with USAID preferred.
3. Very good communication and analytical skills. Report writing and computer skills necessary.
4. Evidence of ability to develop productive working relationships with government and non-government agencies in developing countries.
5. Excellent health and ability to travel and live in difficult conditions.

### SUGGESTED MONITOR PROFILE:

While it is difficult to predict how any individual will react, certain personal characteristics may enhance his/her ability to operate effectively in the field. These are:

1. Ability to interact assertively but congenially with a wide variety of individuals.
2. Understanding of political considerations associated with the implementation of the project.
3. Ability to exercise patience and persistence in obtaining information.
4. Ability to impart knowledge or advice to assist in improving existing systems.
5. Sensitivity toward the background of key players and organizations.
6. Ability or desire to learn local customs, traditions, and language.
7. Ability and willingness to remain in the field for required periods of time in view of sub-optimal conditions that exist. For instance, in Tigray at present many areas do not have running water or conventional toilets. Food selection is minimal at times and usually only local food is available. Travel by road is very rugged and dusty. Communication within Tigray and to the outside world is limited.

## APPENDIX 7: SUGGESTED MONITOR'S JOB DESCRIPTION

The monitor will be hired on a personal services contract (PSC) basis and will be responsible to the USAID country representative and to the project officer in charge of monitoring the internal purchase program. The monitor's duties are as follows.

1. The monitor will remain in the field approximately 80% of the time, making trips to Addis Ababa as needed to obtain cash for the purchases and for briefings. The monitor will travel to rural areas as often as possible collecting information on crop prices, farming patterns, health and nutritional conditions of the population and other subjects.

2. The monitor is responsible for oversight of all aspects of the internal purchase program and will work in close coordination with the implementing agency to determine purchase and distribution sites and purchase prices. The monitor will track the grain from purchase to beneficiary and will document the cash flow.

3. The monitor will prepare monthly reports of internal purchase program activities for USAID including investigations and followup of problems. These reports will be discussed with the implementing agency. In addition, reports compiled by other organizations will be collected.

4. The monitor will participate in meetings of agencies operating in the area and attempt to coordinate monitoring efforts. The results or minutes of interagency meetings will be reported to the project officer.

5. The monitor will compile and analyze internal purchase statistics.

6. The monitor will arrange and facilitate visits of USAID staff to the project area and perform other duties as required.

## APPENDIX 8: INTERVIEWS WITH BENEFICIARIES

The following interviews took place in a hotel tea room in Enticho town (about 40 km east of Adwa). NCA/ERD field monitor and evaluator conducted the interview which was interpreted by a REST information officer/guide. We asked to interview one beneficiary from the town and one from the rural area. The interviewees were brought to us by the distribution site manager.

Interview #1 Mariam, a town dweller

Q: Where do you live?

A: Enticho town, in the compound of my brother.

Q: Do you have a husband or children?

A: I have two children, the ages of 6 and 8. My husband left to fight in the war more than seven years ago and I have not heard of his whereabouts for a long time now. I have heard that he left Ethiopia some time ago.

Q: Do you depend on your brother for food and money?

A: I have depended on the kindness of my brother up until a year and 2 months ago. Then I began to receive relief food. I used to do laundry and ironing to make money but I have been ill lately and get tired very easily so I work only a little now..

Q: What do you do for money to buy clothing for your children and other items?

A: I usually don't have very much money. I share things with my brother's family and sometimes I sell some of the food to buy small things. If I do laundry sometimes I get paid in kind.

Q: How much relief food do you receive and what type is it?

A: Thirty kilos for myself and my two children. Usually it is just grain, mainly sorghum, but sometimes I get lentils and very rarely some oil.

Q: What do you make with the food?

A: I make injera from the grain and if there are lentils, I make a wat from that. If there are no lentils, sometimes we eat the injera with a mixture of sugar and oil.

Q: How did you hear about the food distributions?

A: The town administrators announced that selection would take place for the relief roles. I put my name in, was interviewed and selected.

Q: Are there many women in situations similar to yours?

A: Yes, there are many, many women who are wives of fighters.

Q: How old are you?

A: 22 years old.

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Interview #2    Nuru, a farmer

Q: Where do you live?

A: On the outskirts of Enticho town in a tabia called Mezbre. It is about a half hour walk.

Q: What is the situation with your farm?

A: My farm is three oxen days in size. I own one ox and one donkey. I have ploughed my land but the seeds are not in yet. The rain started but then stopped a few weeks ago so I am waiting for signs that it will resume.

Q: Did you benefit from REST's agricultural rehabilitation program?

A: Yes, I received the ox last year and seeds for the past three years.

Q: Were the seeds sufficient to plant your land?

A: No, they were enough for two thirds only.

Q: Can you afford to buy the rest of the seeds?

A: Yes, I will probably manage by getting a loan from a relative or by renting out my donkey. I can also work as a day laborer.

Q: How much can you earn in these ways?

A: If the donkey makes a round trip to Adi Qualla which takes four days, I will receive 10-15 birr. Laborers receive 3 birr a day.

Q: How long have you received relief food and for how many persons?

A: There are six members in my family. We have been on the food distribution list for the past 17 months. There was no harvest at all last year and the year before it was very poor. Since I did not own an ox at that time I qualified to receive food.

Q: How did you plow your land without two oxen?

A: The village managers, or baito, organize the oxen so that each farmer's land gets plowed.

## APPENDIX 9: INTERVIEWS WITH PRISONERS OF WAR

The following interviews took place in a hotel tea room in Adwa town. A brief visit was made to the POW officers camp\* located on the outskirts of Adwa by the evaluator and two other field monitors from different agencies where we initially met some hostility on the part of the officers some of whom asked us if we had come to help them or just to stare. The officers were walking around freely and were also allowed to walk into town. After we had explained our positions, we requested to interview some of the officers. It was determined that the interviews should be held away from the camp. Two officers volunteered and were brought to us by a TPLF fighter and REST staff who stayed during the interviews. Both officers spoke English.

Officer #1

Q: Where are you from?

A: I am originally from Addis Ababa.

Q: Can you tell us about your history with the military?

A: I was originally trained as a teacher and was teaching in a school in Arba Minch, the capital of Gama Gofa region. I was conscripted by the military and sent for officers training to Cuba for two years and eight months. When I returned to Ethiopia, I first taught at the military training school in southern Shewa region for three years and then in Addis Ababa for three years. During the years in Addis, I attended the university in the evenings in political science. I did this training on my own initiative. I was then sent to Eritrea. I spent six months in Nakfa and the last nine months in Asmara.

Q: What is your rank?

A: I am a captain.

Q: What are your feelings now about your situation?

A: I quite frankly did not expect to be alive. Essentially we officers were sent here to Adwa to be captured. We did not really know what awaited us so of course we were scared and demoralized. I fully expected that some or all of us would be killed or imprisoned.

Q: What did happen to you?

A: We have been detained for a number of days and have been put through a "normalization" procedure. We have been told that now we are free to go home.

Q: Can you describe the normalization procedure?

A: I wouldn't like to describe this in detail. It's probably not something civilians should hear\*\*. But I will say that we were told that we would be expected to assimilate into civilian life and to take regular jobs relevant to our training. We were given some information as to how the new government would be run.

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Q: How do you feel about returning to civilian life?

A: I am very happy to return to teaching. I never liked the military, I just agreed with the conscription because it was the safest thing to do. I have a wife and young children. There are others among the officers who are very anxious about returning to civilian life. Some never had any other professional training and only knew military service. They are afraid that they will be discriminated against by the new government and some of their families are very poor.

Q: How do you feel about your treatment after the war ended?

A: In Eritrea, we were robbed by some members of the EPLF. I understand their resentment after the long war but I will say that these people took personal possessions from me, not just military. I argued with them but they took them anyway. Maybe they were just bad people like can be found in any groups. I am sure, however, that there will be retribution against the local Eritreans when the former GOE soldiers return to their homes.

Q: What about your treatment from the local people?

A: The local people have been nice to us. They gave us water on the road. They usually didn't have extra food to give us. Sometimes we slept in their compounds. It was a terrible trip. I walked 46 kilometers by road. We have no money; we are very demoralized but we are still alive.

Officer #2

Q: Where are you from?

A: I am from Gama Gofa region from a small tribe known as Gardulla, part of the Oromos.

Q: How did you join the military?

A: I entered voluntarily seven years ago. I had been at the building construction college in Addis Ababa for one year but I did not have the funds to continue. My family was very poor and my godfather who lives in Ambo was trying to help me. The military, especially officers training offered a good future. I received military training in Harar and was posted to several different locations. Most of my time was spent in Eritrea on the front lines. I am very glad the war has ended. It was very difficult at the end. The soldiers were fed up with the central government and didn't have the confidence to fight.

Q: What is your rank?

A: I am also a captain.

Q: How many people did you command?

A: Normally, one battalion which would be 140 soldiers. But it depends on the job to be done. Sometimes I commanded as many as 550 people. That is a lot of responsibility.

Q: How do you view the future?

A: I plan to return to Gama Gofa to assist my family for a

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while. I am worried about what I will do to make a living when I return. I did not complete my training in construction and would not be happy as a farmer. So the future poses problems for me.

Q: How did you find the attitude of the local people as you walked from Asmara?

A: They were very matter of fact and not resentful. Of course, we do not have guns now. They tried to help us if they could and we had to beg for help sometimes. We had to trade most of our possessions to get necessities.

Q: Do you have any questions for us?

A: Can you help us get a lift to Addis Ababa?\*\*\*

\* The enlisted soldiers were not detained as far as we could tell. They were dispersed from Eritrea and walked in various directions down the roads. We saw thousands on roads and in towns. They appeared tired but were peaceful. Ten thousand had left Adwa just before our arrival and another 15,000 were due. They camped and were fed outside the town in a different location than the officers camp.

\*\* From what we could gather from other conversations, the normalization process included viewing video tapes of atrocities committed by the Ethiopian military.

\*\*\* ICRC was in the process of organizing transitional camps for the POWs. Two Ethiopian Red Cross officials had arrived from Addis and were arranging transport for the officers. The day after this interview we saw two Red Cross trucks loading soldiers.

#### Visit to the Transition Camp for Military Families

We heard that busloads of women and children were arriving from Asmara. These people were relatives of Ethiopian military who had been housed on a large military base in Asmara, and were being relocated by the EPLF. The people would stay for a few days before moving on.

We were taken by REST staff to the compound, a former school, where the group of around 500 were staying. The EPLF was distributing relief food consisting of CSM (corn soy milk), flour and oil. These items were rolled up into balls and eaten. The EPLF man in charge of the operation expressed concern that no supplies of fresh water were close and the people were drinking dirty water from a nearby stagnant stream.

Most of the people gathered around from curiosity and seemed to be in a cheerful mood. Some said that they were glad to be going home but that they had been forced to leave their possessions behind. Some prisoners of war had walked to the site to seek out or inquire about their family members.

As we were leaving, the Ethiopian Red Cross representatives arrived and two days later, the group had dispersed.